

KIMLY LIMITED
(Incorporated in Singapore)
(Company Registration No. 201613903R)

**ENTRY INTO A THIRD AND FINAL JOINT VENTURE AGREEMENT TO OPERATE AND MANAGE
SHORT-TERM HDB COFFEESHOP LEASE**

1. INTRODUCTION

The Board of Directors ("**Board**") of Kimly Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refer to its earlier announcements dated 21 February 2020 in relation to the entry into definitive agreements to acquire a portfolio of food outlet companies (the "**21 February 2020 Announcement**"), 9 September 2020, in relation to the entry into joint venture agreements to operate and manage short-term HDB coffeeshop leases (the "**9 September 2020 Announcement**") and 11 September 2020, in relation to response to SGX queries (the "**11 September 2020 Announcement**").

All capitalised terms used herein, unless otherwise defined, shall have the meanings ascribed to them in the 21 February 2020 Announcement, the 9 September 2020 Announcement and the 11 September 2020 Announcement, where applicable.

2. ENTRY INTO A THIRD AND FINAL JOINT VENTURE AGREEMENT

As stated in the 9 September 2020 Announcement, the entry to the third and final joint venture agreement ("**3rd JVA**") will take place after receipt of the requisite approvals and/or permissions from the Housing Development Board ("**HDB**"), which has been delayed by the COVID-19 disruption.

The Board is pleased to announce that following the receipt of the requisite approval from the HDB, its wholly-owned subsidiary, Kimly Makan Place Pte. Ltd. ("**KMP**") has, on 29 September 2020, entered into the third and final joint venture agreement ("**JVA**") with S. Tong Hong Pte Ltd ("**STH**") in relation to, *inter alia*, the operation and management of the coffeeshop located at Block 429A Choa Chua Kang Avenue 4 #01-01 Singapore 681429 (the "**Chua Chu Kang 429A coffeeshop**") leased by the joint venture company, **Sin Tong Hong Eating House Pte Ltd** ("**STH-JVCO**").

Please refer to the 9 September 2020 Announcement for information on the STH-JVCO, STH and the JVA.

3. AGGREGATE CONSIDERATION

The aggregate consideration payable by KMP for the 49% interest in the issued share capital of the STH-JVCO ("**Capital Injection**") and the Lease Assignment Fee is **S\$1,127,000**, in the following proportions:

Joint Venture Company	Address of Coffeeshop	Lease Assignment Fee (S\$)	Capital Injection (S\$)
Sin Tong Hong Eating House Pte Ltd	Block 429A Choa Chu Kang Avenue 4, #01-01 Singapore 681429	980,000	147,000
Total		1,127,000	

The Lease Assignment Fee has been wholly satisfied in cash through utilization of the internal resources of the Group.

4. CHAPTER 10 OF THE CATALIST RULES

- 4.1 All relative figures of the abovementioned joint venture computed pursuant to Rule 1006 of the Catalist Rules of the Singapore Exchange Trading Limited ("**Catalist Rules**"), based on the Company's latest announced consolidated results is less than 5%. Accordingly, this Announcement is released by the Company on a voluntary basis and the disclosures are referenced from the disclosure requirements of a non-discloseable transaction under Chapter 10 of the Catalist Rules.
- 4.2 Further, upon aggregating with the Proposed Acquisition, being the last of such aggregated transactions, the aggregated Catalist Rule 1006 figures in the current financial year does not exceed 75.0%, and hence will not be made conditional upon the approval of the shareholders of the Company as disclosed in the Company's circular to shareholders on 6 January 2020. Please refer to the 11 September 2020 Announcement in respect of the aggregated Rule 1006 relative figures between the 3rd JVA and the prior acquisitions of the Company in the previous announcements.

5. FINANCIAL IMPACT

The STH-JVCO is not expected to have any material impact on earnings per share or net tangible assets per share of the Group for the financial year ending 30 September 2020.

6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTEREST

Save as disclosed herein, none of the directors and controlling shareholders of the Company have any interest, direct or indirect, in the JVA other than through their respective directorships and shareholdings in the STH-JVCO.

7. DOCUMENTS FOR INSPECTION

Copies of the 3rd JVA entered into by KMP with STH, the corresponding share allotment instrument and the Service Agreement entered into by KMP with the STH-JVCO are available for inspection during normal business hours at the Company's registered office at 13 Woodlands Link, Singapore 738725 for a period of three (3) months from the date of this Announcement.

BY ORDER OF THE BOARD

Hoon Chi Tern

Company Secretary

29 September 2020

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Mr. Joseph Au, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.